brought together to work on this antiterrorism initiative. And we followed their recommendations, and we're doing our best to get the job done.

White House Employee Drug Policy

Q. Mr. President, would you discuss the rationale for allowing individuals with a background of more than casual drug use to serve on the White House staff? Doesn't that send a poor signal to parents and children who want to avoid drugs, and one argument for it is that it will return to haunt you later in life?

The President. Well, if that were the whole story it might be. That is not the whole story. Compare the difference in the White House drug policy and the Congress drug policy. We are the branch of Government, the White House, that has a zero-tolerance policy. A complete—everybody was tested. Then people are subject—everybody who works here is subject to random testing. And people that have any kind of recent drug problem who were hired because they were felt to be drug free at the time are subject to regular drug testing.

So the truth is we know that the people here insofar as we can possibly determine it are drug free and that we have had a zero-tolerance policy. And I think the question is if people have put their lives in order and are prepared to be held accountable and are judged as best as possible not to present a threat in any way, shape, or form and are doing a good job and are clearly drug free, should they be denied the right to work because of some problem they have in their past?

Now, at the time these decisions were made in '93, the people who made them concluded no, as long as we had a system for regular testing. And I find it interesting that we get criticism from the Congress from people who can't make that same assertion about their own staffs because they don't have anything like the testing program we do to hold people accountable.

So we have done our best to tell you what I think you want to know, which is, do we have a strict zero-tolerance policy here, and do we have a means for knowing whether we're right or not?

Thank you.

NOTE: The President spoke at 10:02 a.m. in the Rose Garden at the White House.

Remarks Prior to a Meeting With Congressional Leaders and an Exchange With Reporters

August 2, 1996

The President. I'd like to make some brief remarks and then ask Senator Daschle and Congressman Gephardt to speak. And then we'll be glad to answer a few questions.

On this last day before Congress goes home, I wanted to invite the Democratic leadership down to the White House to thank them for their hard work and eventual successes on behalf of the working families of this country. The Congress is going to send me two measures that this caucus has worked hard on for a long time, the minimum wage bill, which also has some important help for small businesses, incentives to invest more in the business and to make it easier to take out retirement plans, and of course, the Kennedy-Kassebaum health bill, which will help millions of Americans have access to health care.

And I'd like to say a special word of thanks to Senator Kennedy who has worked on both these issues for years and years and who was absolutely superb in the debates in the Senate and he would not let these issues die when—[applause].

These issues have been very key to our party, our caucus, and to me and my administration for a long time now. And I'm very, very happy about it. We're in a lot better shape than we were a year ago. We have basically, thanks to the American people standing up and standing with us, we have been able to do some positive things here, which are very, very, important. In addition to that, we're going to have two major environmental legislative victories, the safe drinking water act and one on pesticides, which I think are very, very important.

And I'm very pleased that we've been able to move away from some of the extremism of the last 2 years into a position where we can get some things done for the American people. So I think the American people have a lot to be proud of. I think the progressive, mainstream achievements of this caucus are some things that they can go home and be proud of in August. I have to say that this has been, on balance, a very good week for the American people.

I must say I'm deeply disappointed that the antiterrorism package which had been agreed to by our caucus and our leadership and the leadership of the Republican Party apparently is not going to pass because the same folks who opposed the crime bill in '94 and the Brady bill are not going to permit it to pass in the House. And I am disappointed about that. I'm disappointed that we can't pass anything on the taggants yet, the explosives, because that's a big problem in domestic terrorist incidents. But I think we have to keep working on it because this problem will not go away.

But in terms of these economic issues that are going to create more opportunity for the American people, I think it's a very, very happy day.

And I'd like to ask Senator Daschle and Mr. Gephardt to say few words, and then we'll answer your questions.

[At this point, Senator Thomas A. Daschle explained that by being united in their goals, Democrats in Congress have been able to pass legislation that is beneficial to many Americans.]

The President. Mr. Gephardt.

[Representative Richard A. Gephardt congratulated the President on the economic figures and stated that the legislation passed by Congress is a victory for the American people.]

The President. You bet it is.

Terrorism Legislation and the Whitewater Trials

Q. Mr. President, would a failure to pass a terrorism bill now be a Democratic—a legitimate Democratic campaign issue? And would you like to react to the verdict yesterday in Little Rock?

The President. Well, I believe that this ought to pass. And you know, I have done my best not to make this a partisan issue, this terrorism issue. This is a national security

issue. Just as much as devising a defense in the cold war was a national security issue, that we tried to develop a bipartisan position on, dealing with terrorism, dealing with the proliferation of weapons, dealing with the consequences for freedom-loving people everywhere of all the racial and ethnic and religious and tribal and political hatred in the world today, these are the national security issues of the 21st century. And so I can tell you that I think it is legitimate for those of us who believe more should be done to continue to press for more to be done.

But I am going to do my best to try to fashion a bipartisan majority in America for this. This is national security. We've always in the past been able to hammer out a bipartisan posture on national security, and I hope we can. I know the leadership of the Republican Party must be disappointed that they could not deliver the Members here and that their caucus is, I believe, out of step with what the American people want. But I hope we can make this a bipartisan issue because it's a security issue.

As to the verdict, I'm very pleased, close to home here, that Bruce Lindsey was completely exonerated, as I felt certain he would be. And I'm happy for the people involved. And I have nothing to add to what has been coming out of the stories in Little Rock.

TWA Flight 800 and Terrorism

Q. [Inaudible]—in East Moriches, New York, for the past week and a half—I've talked to a lot of FBI agents who work for you who are convinced that terrorists are responsible for that. There's a story in the paper today that says the United States has proof that there are 11 terrorist training camps in Iran right now and that somebody trained in one of those camps was probably responsible for what happened in Saudi Arabia. What are you able to do without this terrorism bill to solve problems like that?

The President. Well, keep in mind we've been doing quite a lot. We just had a meeting in—let me back up and say—let me remind you of what our strategy is. The first strategy is to get the other nations of the world to take as hard a line on terrorism as we have already taken—and is manifest in this Congress which did pass in a bipartisan way a

tougher sanctions bill, for example, against Iran and Libya—and to get other countries to work with us. And we agree on 25 separate things that we would do together with the G-7 countries in that regard. And last year or earlier this year, several months ago at the United Nations, the last time I spoke to the United Nations, I asked them to adopt an international compact against terrorism. So we're moving on that.

The second thing we're trying to do is to increase our capacity to deal with terrorist activities here at home. And we have increased our capacity in the last 3 years. And this Congress did pass in a bipartisan way an antiterrorism bill which helped us to do more. The third thing we have to do, because they're targeted, is to dramatically increase airport security. Now, in addition to that, we're taking further measures to increase the security of our troops overseas, as you know, and General Downing is going to make a report to me sometime in the next couple of weeks about that. And we have had success in thwarting several planned terrorist activities in the United States against America. So there are things that we can do.

As to the TWA flight and the evidence you mentioned, I can tell you this. I will do what is appropriate once we know what the evidence is. But there are a lot of people who have a lot of opinions now. But as President, I have to wait until the FBI investigators and the other team members tell me what they believe to have happened and until we have a chain of established proof. You can't say, particularly when the consequences are as horrible as this, what you think happened in the absence of conclusive evidence. So I have to wait until I get that.

Employment Figures

Q. Mr. President, what's your reaction to the jobs figures this morning, and do you see any inflationary consequences to them?

The President. Well, you know, I can't comment on the job figures officially until 9:30, so I'll have something to say about it later. But I can tell you this, there is no—there is now no substantial evidence of inflation pressures in this economy. The best thing about the recovery of the last 3 years, although a lot of us would like to see the

growth rate a little higher, but the best thing about it is that we have proved that this economy, together, not just our administration, the American people have proved, that they could create over 10 million jobs and that wages could actually start rising again after a decade without any inflation in the economy. I believe it's because of the productivity of the American workers and the competition of the global market working together.

What I was worried about was that we wouldn't be able to get wages going up again even though were being created. Now wages are finally beginning to rise, and at this point, no evidence that there's an inflationary problem. And that's a very good thing for the American people in terms of their household budgets and a very good thing for the American economy. If we can keep growing and raise wages and keep inflation in check, then we will have done something that we've not been able to do for 30 years. And that's a very, very good sign for the American people.

NOTE: The President spoke at 9:05 a.m. in the Cabinet Room at the White House.

Remarks Announcing Measures to Improve Working Conditions in the Apparel Industry and an Exchange with Reporters

August 2, 1996

The President. Good morning. To Secretary Reich, Phil Knight of Nike, the other business leaders who are here and the labor leaders, leaders of other organizations who are concerned about this issue, to Kathie Lee Gifford and Congressman George Miller who was just here and had to leave. I want to say a special word of thanks to my friend Senator Tom Harkin who is the very first person who ever discussed the issue we'll be talking about today with me.

Before I begin, I'd like to say just a brief word about the new job figures. It was reported this morning that our economy produced nearly 200,000 more new jobs in July, further good news for the American people that our economy is growing and creating good jobs. Thanks to the hard work of employees and businesses here in our country, we now have the economic equivalent of our